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CASE NOTES AND COMMENTS

SEINFELD PRODUCERS REMAIN MASTERS OF THE COPYRIGHT DOMAIN: *CASTLE ROCK ENTERTAINMENT, INC. V. CAROL PUBLISHING GROUP, INC.*¹

INTRODUCTION

On July 10, 1998, the Second Circuit ruled that one can in fact infringe a copyright of “nothing.”² In *Castle Rock Entertainment, Inc. v. Carol Publishing Group, Inc.*, the Court of Appeals, in an opinion written by Judge John M. Walker, held that the Seinfeld Aptitude Test, a trivia test devoted exclusively to testing its readers’ recollections of scenes and events from the highly successful television series Seinfeld, unlawfully copied from the original program.³

The *Castle Rock* decision is noteworthy in several respects. First, it offers an analysis of the impressive breadth and scope of the tests used to determine copyright infringement.⁴ Second, and certainly more controversially, *Castle Rock* deviates somewhat from the standards of the “substantial similarity” test by scrutinizing the number of references to an original work rather than the percentage of material used in relation to the whole.⁵ Third, the case provides a significantly narrow interpretation of the “transformative” quality necessary for a fair use defense. *Castle Rock* also suggests that a secondary work is more likely to be deemed a permissible “comment” if it criticizes rather than lauds an original work.⁶ Finally, the decision restricts the scope of fair

1. *Castle Rock Entertainment, Inc. v. Carol Publishing Group, Inc.*, 150 F.3d 132 (2d Cir. 1998).

2. *Castle Rock*, 150 F.3d at 135.

3. *Id.*

4. *Id.* at 138-145.

5. *Id.* at 138.

6. *Id.* at 141-143.

use defenses, ironically finding that a comparison between works of different genres makes it more likely that a secondary work infringes on protected expression.⁷ The *Castle Rock* decision makes it clear that the creators of derivative works will have a much harder time escaping future infringement claims in the Second Circuit, and perhaps calls into question the standards by which secondary works based on pop culture icons should be judged. This case note will discuss the various tests employed by Judge Walker in *Castle Rock*: Substantial Similarity (including both the qualitative and quantitative components); the Ordinary Observer test; the “Total Concept and Feel” test; Fragmented Literal Similarity; and Comprehensive Literal Similarity; and evaluate the court’s rejection of Carol Publishing’s Fair Use defense.

I. BACKGROUND

The Seinfeld Aptitude Test (SAT) draws from eighty-four of the eighty-six Seinfeld episodes broadcast at the time of its publication in 1994.⁸ It contains six hundred and forty-three trivia questions and answers about the events and characters depicted in the series, with forty-one questions and answers containing actual dialogue from the show.⁹ The SAT has two hundred eleven multiple choice questions, in which one answer out of three to five possible answers is correct, ninety-three matching questions, and several short answer questions.¹⁰ The questions are further divided into five levels of increasing difficulty.¹¹ Author Beth Golub created the incorrect answers to the multiple-choice questions, but every

7. *Castle Rock*, 150 F.3d at 139.

8. *Id.* at 135.

9. *Id.* at 135-6. The single-most drawn upon episode for the purpose of direct quotations is the “Cigar Store Indian” episode. Estimates of the percentage of dialogue taken from this episode range from 3.5% to 5%. *Id.*

10. *Id.* at 135.

11. *Id.* An example question from “level one” reads: “11. What candy does Kramer snack on while observing a surgical procedure from an operating room balcony?” *Id.*

question and answer has as its source a fictional moment in a Seinfeld episode.¹²

The SAT prominently displays the name Seinfeld on both its front and back covers.¹³ The back cover lists a disclaimer which states “[t]his book has not been approved or licensed by any entity involved in creating or producing Seinfeld.”¹⁴ Golub describes her book as a “natural outgrowth” of the television series, which “like the Seinfeld show, is devoted to the trifling, picayune and petty annoyances encountered by the show’s characters on a daily basis.”¹⁵

When the SAT was first published, Seinfeld’s executive producer described it as “a fun little book,” and the National Broadcasting Corporation, which broadcast Seinfeld, requested free copies of the SAT to distribute along with promotions for the program.¹⁶ Furthermore, Seinfeld’s audience grew after the publication of the SAT.¹⁷ Nonetheless, Castle Rock has endeavored to maintain strict control over any marketing projects associated with Seinfeld and has rejected numerous proposals from publishers seeking approval for Seinfeld-related projects.¹⁸ The production company also attests it has licensed the production of a CD-ROM that will include discussions of Seinfeld episodes and might even ultimately include a trivia bank.¹⁹ Castle Rock claims moreover that it plans to pursue a more aggressive marketing strategy for projects related to the show, including “publications of books related to Seinfeld.”²⁰

12. *Castle Rock*, 150 F.3d at 136; see *infra* notes 117-121 and accompanying text.

13. *Id.*

14. *Id.*

15. *Id.*

16. *Id.*

17. *Castle Rock*, 150 F.3d at 136; see *infra* notes 132-134 and accompanying text.

18. *Id.* Castle Rock has licensed one book, *The Entertainment Weekly Seinfeld Companion*. *Id.*

19. *Id.*

20. *Id.* The market for such products may be fast diminishing however, as the final episode of Seinfeld aired on May 14, 1998. The series continues to flourish in the form of syndicated reruns.

II. FACTS

In November of 1994, plaintiff Castle Rock, producer and copyright owner of each Seinfeld episode, filed a complaint against defendant Carol Publishing and Beth Golub, publisher and author of the Seinfeld Aptitude Test, respectively, alleging federal copyright and trademark infringement and state law unfair competition violations.²¹ The United States District Court for the Southern District of New York granted summary judgment to Castle Rock on the copyright infringement claim.²² On final judgment, the District Court awarded Castle Rock damages of \$403,000 with interest resulting from defendants' on the copyright infringement, permanently enjoined defendants from publishing or distributing copies of the SAT, and ordered defendants to destroy all copies of the SAT in their custody.²³ Defendants appealed the District Court's ruling.²⁴

III. ANALYSIS

A. Copyright Infringement

The Copyright Act of 1976 provides:

"the owner of a copyright under this title has the exclusive rights to do and authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based on the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending . . ."²⁵

21. *Id.*

22. See *Castle Rock Entertainment Group, Inc. v. Carol Publishing, Inc.*, 955 F. Supp. 260, 274 (S.D.N.Y. 1997). (Judge Sonya Sotomayer, presiding.) The District court did not, however, grant summary judgment on the unfair competition claim. *Id.*

23. *Castle Rock*, 150 F.3d at 136-7.

24. *Id.*

25. 17 U.S.C. § 106 (West 1997).

To establish a *prima facie* case of infringement, plaintiffs must first demonstrate that their work was actually copied, and then must show that this copying is an unlawful appropriation.²⁶ Neither Castle Rock nor Carol Publishing disputed that Castle Rock owns valid copyrights to the Seinfeld program.²⁷ Author Beth Golub freely admitted to having created the SAT by taking notes while watching the program and by viewing recorded videotapes of episodes.²⁸ Thus, the court in *Castle Rock* looked to whether the SAT unlawfully copied a sufficient amount of copyrighted expression by looking to the traditional "substantial similarity test."²⁹

1. "Substantial Similarity"

This test is used, once the fact of copying is established, to determine whether the degree of similarity between the two works is sufficient to demonstrate an actionable infringement.³⁰ It involves a two-pronged inquiry: the copying must be sufficient on both a qualitative and quantitative level.³¹

a. The "Quantitative" Element

In *Castle Rock*, the Second Circuit held that the SAT clearly satisfied the quantitative prong of the substantial similarity test.³² The court looked to the decision in *Ringgold*, in which an artist who created and owned a copyright of a "story quilt" brought a copyright infringement action against the producer and broadcaster of a television program which used a poster depicting the quilt as set decoration.³³ The producer defended his use of the work by the "de minimus" standard.³⁴

26. *Laureyssens v. Idea Group, Inc.*, 964 F.2d 131, 139-140 (2d Cir. 1992).

27. *Id.* at 137.

28. *Id.*

29. *Id.*

30. *Laureyssens*, 964 F.2d at 139-140.

31. *Ringgold v. Black Entertainment Television, Inc.*, 126 F.3d 70, 75 (2d Cir. 1997) (explaining and applying a two-pronged substantial similarity test).

32. *Castle Rock*, 150 F.3d at 138.

33. *Ringgold*, 126 F.3d at 72.

34. *Id.* at 73. Judge Newman defined the "de minimus" standard as operative in three areas of copyright law: a mere technical violation so trivial as to preclude imposing legal consequences; copying so trivial as to fall beneath the

Employing the “de minimus” threshold established in *Ringgold*,³⁵ and examining the eighty-four episodes of *Seinfeld* in the aggregate, rather than individually,³⁶ the court found the six hundred and forty-three different references to the *Seinfeld* program more than adequately met a quantitative standard.³⁷ Although Section 106 of the Copyright Act refers in the singular to an infringed “work,”³⁸ Judge Walker used Second Circuit precedent to support his decision to examine *Seinfeld* as one unified entire work.³⁹ Those cases upon which Judge Walker relied however concerned much greater portions of copyrighted material taken from a considerably smaller body of original works than those at issue in *Castle Rock*.⁴⁰

Notwithstanding Section 106’s use of the singular, and even if eighty-four episodes of *Seinfeld* are in fact examined in the aggregate rather than individually, it is worth questioning whether or not the SAT copied an unfair percentage of the whole of the eighty-four episodes. The court in *Castle Rock* focused most rigorously on the sheer number of fragmentary references to the copyrighted originals without determining how much copying these fragments actually amounted to.⁴¹ Judge Walker noted “[b]y copying not a few but 643 fragments from the *Seinfeld* television

quantitative threshold of substantial similarity; and in the assessment of a possible fair use defense of the “amount and substantiality of the portion used in relation to the copyrighted work as a whole” factor. *Id.* at 74-75.

35. *Id.* at 75.

36. This was not an obvious decision for the Second Circuit to make, and clearly tips the scales in favor of plaintiffs. Taken individually, the amount of direct copying from specific episodes may be merely negligible. *See, supra*, Note 9.

37. *Id.*

38. 17 U.S.C. § 106 (West 1997).

39. *Castle Rock*, 150 F.3d at 138

40. *See, e.g.* *Twin Peaks Productions, Inc. v. Publications International, Ltd.*, 996 F.2d 1366, 1372-3, 1381 (2d Cir. 1993). The body of work copied from eight episodes of *Twin Peaks* was found to quantitatively satisfy the substantial similarity requirement when examined in the aggregate in a book that provided a “guide” to the television series; *see also* *Craft v. Kobler*, 667 F. Supp. 120, 124-125 (S.D.N.Y. 1987). In this case passages from fifteen different books were examined in the aggregate.

41. *Castle Rock*, 150 F.3d at 138.

series," the SAT clearly violated any de minimus threshold, but Judge Walker kept silent on what portion of the discrete continuous whole of the Seinfeld program had been violated by such copying.⁴² Since the cases on which the Second Circuit justified its analysis of the substantial similarity quantitative element all dealt in percentages, the court's omission of this calculation is crucial.

The court's treatment of the numerous Seinfeld episodes as a cumulative whole is analogous to its previous treatments of aggregate bodies of work in determining copyright infringement actions against biographers.⁴³ In *Salinger v. Random House*, for example, the Second Circuit held a biographer's copying of author J. D. Salinger's letters was unlawful because the secondary work used thirty percent of seventeen letters and ten percent of forty-two letters, all treated as a cumulative whole.⁴⁴ And in *New Era Publications*, to which the *Castle Rock* court also turned for support, the Second Circuit determined a biography did not unlawfully infringe on copyrighted material because it used overall a small percentage of the copyrighted works.⁴⁵

In *Castle Rock*, Judge Walker repeatedly referred to the number of "fragments" the SAT copied from Seinfeld, and although six hundred and forty-three is admittedly an impressive number even with an aggregate body of eighty-four episodes, because the Second Circuit never explained or defined the nature of a "fragment" versus a "percentage" taken from the protected work, the quantitative analysis falls short of being fully convincing.⁴⁶

b. The "Qualitative" Element

The qualitative prong involves an examination of whether the allegedly infringing work copies unprotected facts or original,

42. *Id.*

43. See, e.g., *Salinger v. Random House*, 811 F.2d 90, 98 (2d Cir. 1987); see also *New Era Publications Int'l, ApS v. Carol Publishing Group*, 904 F.2d 152, 158 (2d Cir. 1990).

44. *Salinger*, 811 F.2d at 98.

45. *New Era Publications*, 904 F.2d at 158. (It bears mentioning, however, that the court found that the amount of copying from each individual work was similarly small enough so as not to constitute an infringement). *Id.*

46. *Castle Rock v. Carol Pub. Grp.*, 509 F.3d at 138.

protected expression.⁴⁷ The Second Circuit's interpretation of this component has been fairly broad, as demonstrated in *Horgan v. Macmillan*.⁴⁸ In *Horgan*, the court found that still photographs of a ballet performance infringed on the copyright of an original choreographic work.⁴⁹ Because the quality of the photograph was substantially similar to the protected choreography, the Second Circuit ruled that it impermissibly copied from the original.⁵⁰

Thus, because the SAT quizzed its readers not on "true facts" about the series' actors or the show's location, but on the fictitious expressions created by Seinfeld's authors, Judge Walker found that the SAT's copying constituted a substantial qualitative element of the original.⁵¹ Defendants argued that an individual could not recreate the essence of the Seinfeld show from the materials presented in the SAT, and thus no violation has occurred.⁵² However, the court held tenaciously to the broad qualitative standard of *Horgan*, and rejected defendants' "re-creation" argument.⁵³ Thus, the Second Circuit found that Castle Rock Entertainment had established a prima facie case of copyright infringement based on the substantial similarity test.⁵⁴ Before analyzing whether the SAT's copying constituted a fair use of a protected work, Judge Walker turned to discuss the relative merits of other substantial similarity tests historically employed by the

47. *Id.* at 137.

48. *Horgan v. Macmillan, Inc.*, 789 F.2d 157, 163 (2d Cir. 1986).

49. *Horgan*, 789 F.2d at 163.

50. *Id.*

51. *Castle Rock*, 150 F.3d at 139. "Rather the SAT tests whether the reader knows that the character Jerry places a Pez dispenser on Elaine's legs during a piano recital, [and] that Kramer enjoys going to the airport because he's hypnotized by the baggage carousels."

52. *Id.*

53. *Id.* See *Horgan*, 789 F.2d at 163 (holding that although photographs of a ballet could not capture the flow of movement that is the essence of dance, nor could the staged choreography be recreated from the photos, nevertheless, the substantial similarity test did not rest solely on the secondary work's ability to re-create the whole)

54. *Castle Rock*, 150 F.3d at 139.

Second Circuit, and how the SAT might fare under their standards.⁵⁵

2. *The "Ordinary Observer" Test*

Judge Walker followed traditional Second Circuit copyright jurisprudence by employing the Ordinary Observer test, which looks to whether "the ordinary observer, unless he set out to detect the disparities [between the original and allegedly infringing works], would be disposed to overlook them and regard the aesthetic appeal as the same."⁵⁶ Walker acknowledged the difficulty of comparing the aesthetic appeal between a television series and a trivia quiz, and further noted the existing cases which employed this particular test had compared two like objects.⁵⁷ Notwithstanding the problems of using the Ordinary Observer test with works of two disparate genres, the court still found a common aesthetic appeal between the SAT and Seinfeld based on the trivia test's "plain copying" of the series.⁵⁸ The court held author Golub's statement on the SAT's back cover indicated that the book was intended to "complement the aesthetic appeal of the television series."⁵⁹

3. *The "Total Concept and Feel" Test*

Next, Judge Walker examined and subsequently rejected Carol Publishing's request that the court examine "the similarities in such aspects as the total concept and feel, theme, character, plot, sequence, pace, and setting" of the original and allegedly

55. *Id.*

56. *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487, 489 (2d Cir. 1960).

57. *See Peter Pan Fabrics*, 274 F.2d at 489 (comparing dress designs); *see also Laureyssens*, 964 F.2d at 132, 141 (comparing two kinds of interlocking rubber puzzles).

58. Judge Walker's use of the phrase "plain copying" appears to beg the question of copyright infringement to a certain degree, particularly given that this test is employed to discover whether this kind of copying has in fact occurred.

59. *Castle Rock*, 150 F.3d at 140. The back cover of the book reads: "So twist open a Snapple, double-dip a chip, and open the book to satisfy your between-episode cravings." *Id.*

infringing work.⁶⁰ The court in *Castle Rock* found the total concept and feel test “simply not helpful” because, again, the two works at issue were of differing genres.⁶¹ However, the cases the Second Circuit turned to for support, *Williams* and *Rehyer*, both involved analyses of works of different genres, so the court’s reluctance to employ this test is somewhat baffling.⁶² In *Williams*, the court compared a children’s book with a film and an adult novel,⁶³ and in *Rehyer*, it compared a children’s book with a skit performed on Sesame Street.⁶⁴ If a children’s story may be compared to a film, and a book may be compared to a skit, it appears incongruous that a television series may not be compared to a trivia quiz book based on the same standards. Under the total concept and feel test, both *Williams* and *Rehyer* were found sufficiently disparate so as not to constitute a copyright infringement.⁶⁵ Similarly, the SAT has no sense of pace, its sequence is entirely random, and its only theme is “how much a Seinfeld fan can remember of eighty-four different programs.”⁶⁶ The Second Circuit’s rejection of this test as “not helpful” is thus inconsistent with the findings of the cases it cites.

4. The “Fragmented Literal Similarity” Test

This test focuses on the copying of direct quotations or close paraphrasing of the protected work.⁶⁷ It was introduced in *Warner Bros., Inc. v. American Broadcasting Companies, Inc.*⁶⁸ The court in *Castle Rock* distinguished this test from the “quantitative” test,

60. *Id.* quoting *Williams v. Crichton*, 84 F.3d 581, 588 (2d Cir. 1996); *see also Rehyer v. Children’s Television Workshop*, 533 F.2d 87, 91 (2d Cir. 1976).

61. *Castle Rock*, 150 F.3d at 140.

62. *See Williams*, 84 F.3d 581, 588 (2d Cir. 1996) *see also Rehyer*, 533 F.2d 87, 91 (2d Cir. 1976).

63. *Williams*, 84 F.3d at 588.

64. *Rehyer*, 533 F.2d at 91.

65. *Castle Rock*, 150 F.3d at 140.

66. *Id.*

67. *See* 4 Melville B. Nimmer and David Nimmer, NIMMER ON COPYRIGHT, Section 13.03 [A] [1] at 13-29 (1997).

68. *Warner Bros., Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231, 242 (2d Cir. 1983) (applying the test to compare Superman and the television character, the Greatest American Hero).

which covers a broader area of expression, beyond direct quotations.⁶⁹ Defendants' case fared no better under this test than any other, despite the distinct absence of direct copying in the SAT. The cases cited by the court for authority demonstrate the disparity between precedent and the instant case with respect to direct quotations. In *Twin Peaks Productions*, for example, the Second Circuit looked to whether a book that was intended to be a "guide" to the *Twin Peaks* television series infringed on the series' copyright.⁷⁰ The court, applying the fragmented literal similarity test, found that defendant's direct quotations from eighty-nine lines of dialogue sufficed to demonstrate substantial similarity between the original and secondary works.⁷¹

In *Castle Rock*, on the other hand, the amount of direct quotations from the protected series is small.⁷² The Second Circuit did not offer how many of the six hundred forty-three fragments were direct quotations, but the court did concede they were "few and almost irrelevant" to the SAT.⁷³ Judge Walker therefore found that focusing on these relatively isolated quotations improperly distracted the court from its substantial similarity inquiry.⁷⁴ Certainly, had this test been employed, the SAT's use of direct quotations would probably not have satisfied its requirements. The fragmented literal similarity test requires, after all, a *de minimus* element.⁷⁵ Rather than "distracting" the court from its inquiry into substantial similarity, this test might have been more accurately described as an insufficient means of determining the similarity between the two works. Or, perhaps even more appropriately, the court might have explained that the extent to which the SAT directly quoted from the *Seinfeld* show was insignificant by one

69. *Castle Rock*, 150 F.3d at Note 6.

70. *Twin Peaks Productions v. Publications International, Ltd.*, 996 F.2d 1366, 1372 (2nd Cir. 1993).

71. *Id.*

72. See *supra* note 9 and accompanying text.

73. *Castle Rock*, 150 F.3d at 140.

74. *Id.*

75. See, e.g. *Warner Brothers, Inc. v. American Broadcasting Companies, Inc.*, 720 F.2d 231, 241 (2nd Cir. 1983).

criteria, but that this isolated test was not in itself dispositive in determining substantial similarity.⁷⁶

5. The “Comprehensive Non-Literal Similarity” Test

Finally, the court found this last test “unhelpful” and “unnecessary” for an analysis of the SAT.⁷⁷ Comprehensive non-literal similarity looks to whether a secondary work duplicates the “fundamental essence or structure” of a work.⁷⁸ Because of the cumbersome and somewhat esoteric nature of this test, courts have also invoked Learned Hand’s “abstractions” test,⁷⁹ or Professor Chaffee’s “pattern test” when examining claims of this nature.⁸⁰ The Second Circuit approached the demands of this test head on, but appeared to back away from its subtle implications. The court first noted the SAT did not duplicate the fundamental essence or structure of *Seinfeld*.⁸¹ Once again, this decision was based on Judge Walker’s finding that the substantial similarity determined earlier in the court’s qualitative/quantitative analysis outweighed the problematic determinations to be found in comprehensive

76. See, e.g. *G.R. Leonard & Co. v. Stack*, 386 F.2d 38 (7th Cir. 1967); *Werlin v. Reader’s Digest Ass’n, Inc.*, 528 F. Supp. 451 (S.D.N.Y. 1981) (both cases allowed the literal copying of a small and generally insignificant portion of the original works).

77. *Castle Rock*, 150 F.3d at 140.

78. See 4 Nimmer, Section 13.03 [A] [1].

79. “Upon any work. . . a great number of patterns of increasing generality will fit equally well, as more and more of the incident is left out. The last may perhaps be no more than a general statement of what the [work] is about, and at times consist only of its title; but there is a point in the series of abstractions where they are no longer protected, since otherwise the playwright could prevent the use of his ‘ideas,’ to which, apart from their expression, his property is never extended.” *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2d Cir. 1930).

80. “No doubt, the line does lie somewhere between the author’s idea and the precise form in which he wrote it down. I like to say that the protection covers the ‘pattern’ of the work. . . the sequence of events, and the development of the interplay of characters.” Chaffee, *Reflection on the Law of Copyright*, 45 COLUM. L. REV. 503, 513-14 (1945).

81. *Castle Rock*, 150 F.3d at 140-141.

nonliteral similarity, or any of the previously mentioned alternative tests for finding substantial similarity.⁸²

But such a finding effectively begs the question. The Second Circuit held the alternative tests for substantial similarity are distracting or unhelpful because substantial similarity can be determined by the *Ringgold* qualitative/quantitative approach alone.⁸³ Rather than distracting from an analysis of substantial similarity, these tests exist to determine the presence of substantial similarity.⁸⁴ As noted above, the SAT might not even pass the threshold of substantial similarity by the quantitative analysis relied on so vigorously by the court, absent a more comprehensive examination of the percentage of copyrighted work the SAT actually copied in its fragments.⁸⁵ The Second Circuit nevertheless found that the broad interpretation of the *Ringgold* test sufficed to establish a *prima facie* case of copyright infringement, and thus, the court moved to an analysis of whether the SAT's copying constituted fair use.⁸⁶

IV. THE FAIR USE DEFENSE

The doctrine of fair use has been a fundamental element in determining claims of copyright infringement for decades.⁸⁷ Prior to the 1976 Copyright Act, the doctrine of fair use grew out of the common law.⁸⁸ Section 107 of the Copyright Act outlines the doctrine as follows:

The fair use of a copyrighted work . . . for purposes such as criticism, comment, news reporting, teaching (including

82. *Id.*

83. See *supra* Note 31 and accompanying text.

84. See *Ringgold*, 126 F.3d at 75; see also *Warner Brothers*, 720 F.2d at 240-242.

85. See *supra* notes 43-46 and accompanying text.

86. *Castle Rock*, 150 F.3d at 141.

87. "From the very infancy of copyright protection, [the fair use doctrine] has been thought necessary to fulfill copyright's basic purpose, 'to promote the Progress of Science and Useful Arts.'" *Campbell v. Acuff-Rose Music, Inc.*, 510 U. S. 569, 575 (1994) (quoting U. S. CONST., art. I, § 8, Cl. 8).

88. *Id.* at 576; see also Pierre N. Leval, *Toward a Fair Use Standard*, 103

multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include –

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.⁸⁹

Importantly, these four factors in Section 107 are non-exclusive.⁹⁰ They guide, but do not control, a fair use analysis.⁹¹ And, on a case by case basis, these four factors are to be explored and weighed together in light of the purposes of copyright.⁹² The ultimate test of fair use is whether the goal of promoting the progress of science and art can be better served by allowing the secondary use than by preventing it.⁹³

A. The Purpose and Character of the Use

The court in *Castle Rock* did not dwell on the work's commercial purpose.⁹⁴ Judge Walker looked to the recent Supreme Court decision in *Campbell v. Acuff-Rose*, in which a rap group's parodic interpretation of the copyrighted song, "Pretty Woman" was investigated for potential infringement.⁹⁵ In examining this first factor in *Campbell*, Justice Souter noted that "nearly all the illustrative uses listed in the preamble paragraph of Section 107,

89. 17 U.S.C. § 107.

90. See, e.g. *Harper and Row Publishers, Inc. v. Nation Enter.*, 471 U.S. 539, 566 (1985).

91. "The factors contained in Section 107 are merely by way of example, and are not an exhaustive enumeration" 4 Nimmer, § 13.05 [A] at 13-153.

92. *Campbell v. Acuff-Rose*, 510 U.S. at 577.

93. See, e.g., *Arica Institute, Inc. v. Palmer*, 970 F.2d 1067, 1077 (2d Cir. 1992).

94. *Castle Rock*, 150 F.3d at 141-2.

95. *Campbell*, 510 U.S. at 584.

including news reporting, comment, criticism, teaching, scholarship, and research . . . are generally conducted for profit in this country.”⁹⁶ This factor also contains an additional element that has been described as “the heart” of a fair use case: whether the secondary work sufficiently transforms the original so as to avoid copyright infringement.⁹⁷

In *Castle Rock*, the more pertinent inquiry under the first factor was whether or not the SAT was sufficiently “transformative” of the Seinfeld series.⁹⁸ Professor (and Judge) Pierre Leval defines this quality as occurring when the allegedly infringing work adds value to the original or is used as new material in the creation of new information, insights, aesthetics, or understanding of the original.⁹⁹

The recent *Twin Peaks* decision mentioned earlier¹⁰⁰ offers an extended discussion of the extent to which a work of “pop culture” might serve one or more of the non-exclusive purposes for which a protected fair use may be made.¹⁰¹ In that Second Circuit opinion, Judge Newman explained that “a comment about a television show is no less entitled to a defense of fair use because its subject matter is a program of mass appeal and the author aims his comment at a low-brow audience.”¹⁰² Given the Second Circuit’s awareness of pop culture commentaries, it is somewhat surprising that Judge

96. *Id.*

97. Leval, *supra* note 88 at 1111. (“Transformative uses may include criticizing the quoted work, exposing the character of the original author, proving a fact, or summarizing an idea argued in the original in order to defend or rebut it. They may also include parody, symbolism, aesthetic declarations, and innumerable other uses” *Id.*)

98. *Castle Rock*, 150 F.3d at 142-43.

99. Leval, *supra* note 88 at 1111; see also *Campbell*, 510 U.S. at 579 (“the goal of copyright . . . is generally furthered by the creation of transformative works.”)

100. See *supra* note 40 and accompanying text.

101. *Twin Peaks*, 996 F. 2d at 1374.

102. *Id.* “A comment is as eligible for fair use protection when it concerns ‘Masterpiece Theater’ and appears in the *New York Review of Books* as when it concerns ‘As the World Turns’ and appears in the *Soap Opera Digest*. And the defense will be available whether the comment makes some erudite point appreciated mainly by students of literature or a more point of interest to

average television viewers.” *Id.*

Walker found the SAT possessed only a “slight to non-existent” transformative purpose.¹⁰³ Although the District Court had noted that “a text testing one’s knowledge of Joyce’s *Ulysses* or Shakespeare’s *Hamlet*, would qualify as ‘criticism, comment, scholarship, or research’. . . [thus] the same must be said of a text testing one’s knowledge of *Castle Rock*’s *Seinfeld*,”¹⁰⁴ the Circuit Court rejected defendants’ transformative argument.¹⁰⁵

Defendants offered a compelling case for the SAT’s transformative quality as a critical commentary into the subject-matter of *Seinfeld*. They classified the SAT as “decoding the obsession with . . . and mystique of *Seinfeld*” and “critically restructuring it into a system complete with varying levels of ‘mastery’ that relate the reader’s control of the show’s trivia to knowledge of and identification with their hero, Jerry *Seinfeld*.”¹⁰⁶ The Second Circuit, on the other hand, viewed the SAT’s purpose as merely an effort “to repackage *Seinfeld* to entertain *Seinfeld* viewers.”¹⁰⁷ Because the book’s back cover did not explicitly mention that its purpose was to expose *Seinfeld*’s nothingness and articulate its social and moral dimensions, Judge Walker found the book could not do so.¹⁰⁸ Thus, despite defendants’ efforts, the court found the SAT did no more than “sate *Seinfeld* fan’s passion for nothingness.”¹⁰⁹ In doing so, however, the Second Circuit falls back into a somewhat circular argument, implying that because the SAT was not obviously critical of *Seinfeld*, it could not therefore be viewed as criticism.¹¹⁰

Thus, *Castle Rock* appears to offer only lip service to the views expressed in *Twin Peaks* – that commentary on pop culture is as

103. *Castle Rock*, 150 F.3d at 142.

104. *Castle Rock*, 955 F. Supp. at 218.

105. *Castle Rock*, 150 F.3d at 142.

106. *Id.*

107. *Id.*

108. *Id.* at 143.

109. *Id.*

110. *Castle Rock*, 150 F.3d at 143.

deserving of a fair use defense as so-called highbrow studies.¹¹¹ Because the purpose of the SAT was entertaining Seinfeld fans, the Second Circuit found it unlikely to be a commentary or an otherwise educational tool for the show.¹¹² Judge Walker even noted that the defendants would have had a stronger case for fair use had the SAT's incorrect answer choices been attempts to parody Seinfeld, another indication that a more overtly negative posture towards the show might satisfy the transformative purpose requirement.¹¹³

Finally, the court noted that although a secondary work need not transform the original in order to have a transformative purpose,¹¹⁴ the SAT so minimally transformed Seinfeld's original expression as to preclude it from a fair use defense on that basis.¹¹⁵ Again, this logic appears to beg the question: a work need not transform, but because the SAT did not sufficiently transform, the transformative purpose element was denied.¹¹⁶

B. The Nature of the Copyrighted Work

The second factor in a fair use defense tends to favor creative and fictional work.¹¹⁷ In other words, the scope of a fair use defense is narrower with respect to fiction than to factual works.¹¹⁸

This second factor calls for recognition that some works are closer to the core of intended copyright protection than others.¹¹⁹ It is

111. "The SAT's back cover makes no mention of exposing Seinfeld to its readers, for example, as a pitifully vacuous reflection of a puerile and pervasive television culture." See *Castle Rock*, 150 F.3d at 142.

112. *Id.* at 143.

113. *Id.* at Note 7.

114. 4 Nimmer, § 13.05 [D] [2] at 13-227-13-22.

115. *Castle Rock*, 150 F.3d at 143.

116. The Second Circuit also noted that the SAT is far less transformative than other works that have been held as not constituting fair use, and cited *Twin Peaks*. *Id.* at 143. The court did not mention, however, that the allegedly infringing material in *Twin Peaks* involved a detailed summary of the television series' plot for its readers, encompassing the theme and structure of the copyrighted original, which differs significantly from the nature of the SAT. See *Twin Peaks*, 996 F.2d at 1375.

117. *Id.* at 1376.

118. See, e.g., *Stewart v. Abend*, 495 U.S. 207 (1990).

119. *Id.* at 219. See also *Id.* at 586.

designed, in other words, to privilege original creative expression. Thus, the Second Circuit's rationale under this factor seems incongruous. Rather than addressing the obvious issue of Castle Rock's original creation of the Seinfeld series, the court looked again to the "minimally transformative use" of the SAT as the grounds for weighing this factor against the defendants.¹²⁰ Noting that in some cases, such as parody, this second factor may be of very little importance when assessed in the context of certain transformative uses, Judge Walker concluded that the SAT thus fell short.¹²¹

3. The Amount and Substantiality of the Portion Used in Relation to the Copyrighted Work as a Whole.

Under the third factor, the court examined whether the extent of copying was consistent with or more than necessary to further the purpose and character of the use.¹²² Thus, the amount of copyrighted material is examined in context, and questioned with respect to its reasonability in relation to the original.¹²³ Under certain circumstances, such as parody once again, a secondary work must necessarily evoke a substantial amount of the original work in order to achieve its purpose.¹²⁴ And Judge Walker opined the defendants could perhaps argue that repeated if not exhaustive references to Seinfeld were necessary for the purpose of deconstructing the show's humor.¹²⁵ It concluded that six hundred and forty-three references were combined to make the "relatively straightforward point" of Seinfeld's meaninglessness, supported a finding of a non-transformative purpose -- entertainment rather than commentary.¹²⁶ This assertion, however, not only presupposes that "meaninglessness" is a straightforward issue, but

120. *Castle Rock*, 150 F.3d at 144.

121. *Id.*

122. *Id.*; see also *Campbell*, 510 U.S. at 588-89.

123. *Id.*; see also *American Geophysical Union v. Texaco, Inc.*, 60 F.3d 913, 946 (2d Cir. 1994).

124. *Campbell*, 510 U.S. at 588-89.

125. *Castle Rock*, 150 F.3d at 144.

126. *Id.* As the defendant did not raise this argument, and Judge Walker brought it up only hypothetically, such reasoning unfortunately remains dicta.

also suggests entertainment and commentary are mutually exclusive categories.¹²⁷

4. *The Effect of the Use Upon the Potential Market for or Value of the Copyrighted Work*

The recent Supreme Court decision in *Campbell* effectively signaled a retreat from viewing this fourth factor as the most important element of fair use.¹²⁸ *Campbell* asserted "all factors are to be explored, and the results weighed together, in light of the purposes of copyright."¹²⁹ Most importantly, the court in *Castle Rock* took account of whether the secondary use harmed the market for derivative works, that is, those works which the creators of an original work would develop or license others to develop.¹³⁰ Another notable development from *Campbell* was the premise that the more transformative the secondary use was, the less likely it substitutes for the original.¹³¹ Judge Walker found that the SAT clearly encroached upon an area, a market niche, that *Castle Rock* might in general create.¹³² Once again, this judgment was based on the rationale that the SAT did not constitute criticism, scholarship, or any other transformative uses for the Seinfeld show.¹³³ Although *Castle Rock* offered no proof of actual harm to Seinfeld's popularity by the publication of the SAT, and evidenced no interest in publishing Seinfeld trivia quiz books,¹³⁴ the Second Circuit held copyright law must respect the rights of authors over their market for derivative use.¹³⁵ Conspicuous by its absence, however, was

127. *Id.*

128. *See Campbell*, 510 U.S. at 578.

129. *Id.*

130. *Id.* at 145. (quoting *Campbell*, 510 U.S. at 592.)

131. *See Campbell*, 510 U.S. at 591.

132. *Castle Rock*, 150 F.3d at 145.

133. The District Court had noted that the "Seinfeld trivia game is not critical of the program, nor does it parody the program; if anything, SAT pays homage to Seinfeld." *Castle Rock*, 955 F. Supp. at 271-2.

134. *Castle Rock*, 150 F.3d at 146.

135. *Id.*; *see also Salinger*, 811 F.2d at 99 ("The need to assess the effect on the market for Salinger's letters is not lessened by the fact that their author has disavowed any intention to publish them during his lifetime."); *see also Twin Peaks*, 996 F.2d at 320 (It is a safe generalization that copyright holders, as a

any mention of the *Twin Peaks* decision, which held “a copyright holder’s protection of its market for derivative works cannot of course enable it to bar publication of works of comment or criticism, or news reporting whose financial success is enhanced by the wide appeal of the copyrighted work.”¹³⁶ Probably due to the Second Circuit’s dogged reluctance to classify the SAT as any form of commentary, this provocative short statement was left unexamined in *Castle Rock*.

The court completed its decision by weighing all four of the fair use factors in favor of plaintiffs, and rejecting Carol Publishing’s fair use claim.¹³⁷ Judge Walker concluded by stating “undoubtedly, innumerable books could ‘expose’ the ‘nothingness’ or otherwise comment upon, criticize, educate the public about, or research Seinfeld and contemporary television culture. The SAT is not such a book.”¹³⁸ Thus, the District Court’s ruling was affirmed.¹³⁹

IMPACT

The *Castle Rock* decision effectively staves off potential encroachment of improper derivative uses for copyrighted expression by broadening the definition of the requisite “quantitative element” under the substantial similarity test¹⁴⁰ and narrowing the interpretation of “transformative” use in Fair Use analysis.¹⁴¹ Clearly, such a move by the Second Circuit demonstrates an atmosphere more favorable to copyright holders, highly protective even of the unexercised rights to the amorphous world of derivative works.¹⁴²

This protectivist stance may well have the unintentional result of defeating a purpose of copyright: the ultimate goal of fostering

class, wish to continue to sell the copyrighted work and may also wish to continue to prepare or license such derivative works as books versions or films.”).

136. *Twin Peaks*, 996 F.2d at 1377.

137. *Castle Rock*, 150 F.3d at 146.

138. *Id.*

139. *Id.*

140. *Id.* at 138-9.

141. *Id.* at 142-3.

142. *Castle Rock*, 150 F.3d at 145-6.

creativity and innovation.¹⁴³ Commentaries and critics of popular culture in particular, or of any copyrighted expression in general, may well be chilled in their efforts to compose any kind of commentary that is not an obviously scathing indictment or parody of the original.¹⁴⁴ Moreover, the *Castle Rock* decision could also discourage copyright holders from exploiting the market for derivative works, since even though plaintiff had shown no interest in developing a market for Seinfeld trivia quizzes, the particular book published by defendants was found impermissibly to invade Castle Rock's monopoly.¹⁴⁵ Thus, creative expression not necessarily exercised may enjoy statutory protection. There is little incentive for the copyright holder to develop its own market when it can be protected notwithstanding any efforts even to license derivative uses. Thus, creative expression potentially suffers, and the market is denied a potentially profitable entry.

CONCLUSION

The *Castle Rock* decision establishes clear boundaries between protected copyrighted material and the infringing secondary work without necessarily clarifying the rationale at work in such a decision. *Castle Rock* determines that infringement may be established by virtue of the number of fragmentary references to a protected work, not by the comprehensive percentage or portion of the original that has been copied. The decision manipulates the fair use standard of "transformativity" into a rigid category of critical disparagement ostensibly in order to prevent a flood of secondary works like the SAT, all "borrowing" liberally from

143. See *supra* note 87 and accompanying text.

144. *Castle Rock*, 150 F.3d at 143-4. Judge Walker noted several times that, had the SAT been periodic in nature, it might have survived a fair use defense.

original icons of popular culture. Thus, although Shakespeare noted centuries ago that “nothing can come of nothing,”¹⁴⁶ nothing can, at least in the Second Circuit, infringe on the copyright of nothing, lest one risk \$403,000 in damages and a permanent injunction.¹⁴⁷

Susan S. Blaha

146 . WILLIAM SHAKESPEARE, KING LEAR, act I, scene 1, line 90.

147. *Castle Rock v. E.F. Budist*, 150 F.3d 1365, 1366 (2d Cir. 2000).